

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF OKLAHOMA

GWACS ARMORY, LLC,)	
)	
Plaintiff,)	
)	
vs.)	Case Number
)	20-cv-0341-CVE-SH
KE ARMS, LLC, RUSSELL PHAGAN,)	BASE FILE
SINISTRAL SHOOTING,)	
TECHNOLOGIES, LLC, BROWNELLS,)	Consolidated with:
INC., and SHAWN NEALON,)	Case No.
)	21-CV-0107-CVE-JFJ
Defendants.)	
)	
and)	
)	
KE ARMS, LLC,)	
)	
Plaintiff,)	
)	
vs.)	
)	
GWACS ARMORY, LLC, GWACS)	
DEFENSE INCORPORATED, JUD)	
GUDGEL, RUSSELL ANDERSON, DOES)	
I through X, and ROE)	
CORPORATIONS I through X,)	
)	
Defendants.)	

THE DEPOSITION OF MICHAEL ERIC KENNEY,
taken on the 27th day of October, 2021, between the hours
of 8:34 a.m. and 4:54 p.m., on behalf of the Plaintiff
GWACS, pursuant to Federal Rules of Civil Procedure, at
the law offices of Hall, Estill, Hardwick, Gable, Golden &
Nelson, 320 South Boston Avenue, Suite 200, Tulsa,
Oklahoma, before Linda Fisher, CSR-RPR, and Notary Public
in and for the State of Oklahoma.

1 looks like a 6 when it's upside down when I made my notes.

2 A. I'm not on Tab 9, I'm sorry.

3 Q. No problem. Have you seen this document
4 before?

5 A. Yes, I have.

6 Q. Is that your signature that appears on the last
7 page which is KEA 000043?

8 A. Yes, it is.

9 Q. And when I reference document numbers, the
10 bottom -- we call them Bates numbers -- that's what I'm
11 referencing. So if I point you to a page with a -- starts
12 with a KEA or Armory, that's what I'm talking about. So
13 is that your signature on the last page there?

14 A. Yes.

15 Q. And what was the purpose of this NDA?

16 A. Like I said, from my understanding, they had
17 the new product with the removable buttstock that they
18 wanted to discuss us investing in. And we were looking at
19 maybe talking to them about that project.

20 Q. Was that a polymer lower?

21 A. Yes.

22 Q. Did they also discuss with you design changes
23 to the MKII which was going to be the MKIII with the fixed
24 buttstock?

25 A. I don't know that it really -- we had a

1 discussion and they sent us over a vendor or a package
2 that we looked at. We had a bunch of discussions with
3 them.

4 Q. Do you know when they sent you that packet
5 over? Was it around this time?

6 A. I assume so, yeah.

7 Q. So around June of 2015?

8 A. (Witness nods head).

9 Q. Yes?

10 A. Yes. Sorry.

11 Q. No problem. That's the first time. You're
12 actually doing a great job. Thank you.

13 Did you -- who did you discuss that investment
14 packet with when they sent it over to you?

15 A. I would have discussed it with Russell.

16 Q. Okay. And what did you and Russell discuss
17 about the packet that was sent over?

18 A. I was kind of surprised at the dollar amounts
19 they were looking at. And, you know, we were, initially,
20 -- we, I think we had entered into discussions with them
21 about trying to work together to make a firearm for the
22 initial rush using their existing tooling.

23 And you know, they were telling us about various
24 issues and problems and things that they were having with
25 the quality of the product and the output of it. And we

1 Q. (By Mr. Bogan) So did you not receive a packet
2 in 2018?

3 A. I don't remember any. If we did, I remember
4 the initial packet, and then I don't remember the second
5 one. We may have.

6 Q. Okay. Will you turn to 24, Exhibit 24 in your
7 book for me, please.

8 A. (Witness complies).

9 Q. Do you know if you've ever seen this packet?

10 A. I don't recall.

11 Q. If you will turn to Armory 0149 for me, please.

12 A. Oh, page -- sorry, I thought we were changing.

13 Q. No, sorry.

14 A. Number 149?

15 Q. Yeah. And if you look at the top of that page,
16 what does it say?

17 A. "Significant cosmetic improvements" --

18 Q. Sorry, the very -- above that. The very, very
19 top.

20 A. Oh, CAV-15, MKIII.

21 Q. And were they making this MKIII for Mike
22 Kenney?

23 A. I don't know what they were there making it
24 for. I don't think they actually produced it.

25 Q. Do you know if the MKIII had a fixed or

1 A. You can make the part.

2 Q. Did they give them the design prints and CAD
3 drawings to the mold itself?

4 A. I don't know what they gave them. I'm not sure
5 what they were in receipt of.

6 Q. Did you get design prints to the mold itself?

7 A. We have a number of design prints. I haven't
8 looked through every single one of them.

9 Q. Did you get CAD drawings to the mold itself?

10 A. Once again, I haven't gone through them.

11 Q. What was on the disk that KE Arms purchased
12 from Mr. Nealon?

13 A. Tons of files mostly, all unusable due to the
14 data the software was created on.

15 Q. What were they?

16 A. To be honest with you, we couldn't open most of
17 it, or any of them.

18 Q. Well, the ones you were able to open, what was
19 on it?

20 A. I guess, I honestly don't remember anything
21 that was usable that we got from the disk. We did -- we
22 did -- yeah, like I said, I don't know of anything.

23 Q. What were in the prints?

24 A. What were in the prints?

25 Q. Yeah, what prints did you receive? What were